To: Lincoln, Larry[Lincoln.Larry@epa.gov]; schafer, joan[schafer.joan@epa.gov]; Sternberg,

David[Sternberg.David@epa.gov]; Marraccini, Davina[Marraccini.Davina@epa.gov]

Cc: Conger, Nick[Conger.Nick@epa.gov]; Thoms, Laura (ENRD)[Laura.Thoms@usdoj.gov];

Hornbuckle, Wyn (OPA)[Wyn.Hornbuckle@usdoj.gov]

From: Gentile, Laura

Sent: Fri 3/7/2014 5:18:23 PM **Subject:** Alpha news coverage

Regions 3 and 4, many thanks for your help in getting this story out to local audiences and in working with us to respond to media inquiries.

Lots of great press coverage, as outlined in Nick's message below.

From: Conger, Nick

Sent: Thursday, March 06, 2014 6:06 PM

To: OECA Office Directors and Deputy Directors; Raack, Melissa; Theis, Joseph; Pollins, Mark; Porter,

Amy; Bahk, Benjamin; Denton, Loren; Giles-AA, Cynthia; Starfield, Lawrence; Miles, Erin

Cc: Gentile, Laura; Fan, Shirley; Valentine, Julia

Subject: Alpha news coverage

A11,

The Alpha Natural Resources settlement has generated strong coverage in top-tier, influential media outlets over the past 24+ hours. In total, we've reached 275 outlets across the country and counting. Here is a snapshot of the big ones so far. Messaging has focused on the record high penalty, scope of the violations and injunctive relief. I encourage you to take 5 minutes and watch the clip from last night's PBS Newshour where Dina Cappiello from the AP talked with Gwen Iffill about the settlement, based on an interview we arranged with Cynthia and DOJ's Bob Dreher.

Great results from tremendous work across our offices and the region to finalize this landmark settlement. More to come, no doubt.

As always, let Laura and I know of any questions and feedback.

Best,

Nick

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| • □ □ □ □ □ □ □ The action against Alpha could prompt regulators to take a closer look at records companies keep to verify they are in compliance with environmental regulations, said Paul Ziemkiewicz, director of the West Virginia Water Research Institute. He said more cases are likely to follow. |
| • • • • • • • • • • • • • • • • • • • |
| • Coal Council in Bridgeville. Her group has filed its own lawsuit against Alpha and told EPA about Alpha's own records showing high pollution levels in 2010. "(Alpha has) been polluting for so long. As long as they got away with it, they kept doing it." |
| Headlines (hyperlinked to full story below) |
| ●□□□□□□□ <u>Leading coal producer agrees to pay record fine to clean polluted waters</u> across Appalachia (PBS Newshour) |
| •□□□□□□□□ Coal Firm to Pay Record Fine for Water Pollution (Associated Press) |
| ●□□□□□□□ Alpha Natural Agrees to \$27.5 Million Fine for Tainted Water (2) (Bloomberg News) |
| •□□□□□□□ Miner Alpha settles with U.S. over coal pollution violations (Reuters) |
| •□□□□□□□□ Coal Firm to Pay Record Penalty and Spend Millions on Water Cleanup in 5 States (NY Times) |
| ●□□□□□□□ Alpha Natural Agrees to Pay Record Clean Water Act Fine (Wall Street Journal) |
| •□□□□□□□□ Alpha Natural Resources to pay record \$227.5M in water pollution settlement (Pittsburgh Tribune-Review) |

| •□□□□□□□ Alpha Natural Resources fined \$27.5M for water violations (Pittsburgh Business Times) |
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| ●□□□□□□□□ <u>EPA hits Alpha Natural Resources with \$27.5 million fine (Pittsburgh Post</u> Gazette) |
| ●□□□□□□□□ Alpha to pay \$27.5 million in water pollution settlement (Charleston Gazette, WV) |
| Clips |
| Leading coal producer agrees to pay record fine to clean polluted waters across Appalachia (PBS Newshour) |
| In the largest fine ever for water pollution permit violations, Alpha Natural Resources, one of the largest coal producers in the nation, agreed to pay \$27 million in fines and spend another \$200 million to clean up its toxic discharges in five Appalachian states. Gwen Ifill talks to Dina Cappiello of The Associated Press to discuss the EPA settlement. |
| Watch the clip here: http://www.pbs.org/newshour/bb/coal-producer-pay-hundreds-of-millions-water-pollution/ |
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Coal Firm to Pay Record Fine for Water Pollution (Associated Press)

This article was reposted in Fox News, NY Daily News, ABC News, NPR, US News and World Report, Huffington Post, Washington Post, among others

WASHINGTON (AP) — One of the nation's largest coal producers will pay a \$27.5 million fine and spend \$200 million to reduce illegal toxic discharges into hundreds of waterways across five Appalachian states, according to a proposed settlement Wednesday.

The agreement includes the largest fine ever for violations of water pollution permits, with many of the violations reported by the company to state environmental officials. The Associated Press obtained details about the settlement before it was filed Wednesday in federal court in West Virginia.

The discharges occurred at mines and coal processing plants in Kentucky, Pennsylvania, Tennessee, Virginia and West Virginia.

"This is the largest one, period," Cynthia Giles, head of the Environmental Protection Agency's enforcement office, told the AP. "It's the biggest case for permit violations for numbers of violations and size of the penalty, which reflects the seriousness of violations."

The government says that between 2006 and 2013, Alpha Natural Resources Inc. and dozens of subsidiaries violated water pollution limits in state-issued permits more than 6,000 times. They discharged heavy metals and other contaminants harmful to fish and other wildlife from nearly 800 outfall pipes directly into rivers, streams and tributaries, according to the government. There is no evidence that any of the violations contaminated drinking water, EPA officials said.

Monitoring records attached to the complaint show that in some cases, the releases exceeded permit limits by as much as 35 times.

Under the agreement, the mine operators will install wastewater treatment systems and take other measures aimed at reducing discharges from 79 active coal mines and 25 coal-processing plants in those five states.

Bristol, Va.-based Alpha, the nation's third largest coal supplier, estimates those steps will cost about \$200 million.

Gene Kitts, Alpha's vice president for environmental affairs, said the company, which has 700 state water permits and 5,000 different discharge points, is in compliance with the Clean Water Act 99.8 percent of the time.

"That's a strong record of compliance," Kitts said in a statement. "But our goal is to do even better, and the consent decree provides an opportunity to proactively focus on improving the less than 1 percent of the time that permits are exceeded."

Half of the \$27.5 the fine will go to the federal government; the other half will be divided among West Virginia, Pennsylvania and Kentucky.

But advocacy groups said state and federal authorities needed to do more to prevent the pollution from occurring in the first place.

"Levying fines after the fact does nothing for the communities and waterways already harmed," said Mary Anne Hitt, director of the Sierra Club's coal campaign.

Alpha's Kitts said in an interview with AP that the states lack resources to keep tabs on the violations the companies report and to follow up.

"That system has not worked very well," Kitts said. "The states get the reports, the question is what happens at that point."

Gov. Earl Ray Tomblin, D-W.Va., said his share of the fine — \$8.9 million — will be spent on stricter enforcement of the laws at the state level.

"We still appreciate coal mining jobs and the investments here in West Virginia, but they've got to be responsible," Tomblin said.

The settlement comes nearly two months after the water supply for 300,000 people in and around Charleston, W. Va., was temporarily undrinkable after the spill of a coal-cleaning chemical on the banks of the Elk River.

Last month, a ruptured pipe underneath a coal ash impoundment at a Duke Energy power plant polluted the waters of the Dan River in North Carolina. State environmental officials in that case have cited Duke for not obtaining the proper permits for discharges into waterways.

The settlement with Alpha covers a different source of water pollution from coal — from mines and from the processing plants where the coal is prepared for shipping.

Still, for the Obama administration, the settlement is likely to generate more criticism from the coal industry, their lobbyists and supporters in Congress. They have said that this administration is going after coal with new regulations aimed at reducing mercury and other toxic air pollutants from power plant smokestacks, as well as the first-ever proposal to reduce carbon from yet-to-be-built coal-fired power plants.

But when it comes to water and coal, the administration mostly has played catch-up.

The EPA says coal mining and the burning of coal for electricity are some of the largest sources of water pollution in the country. But the agency has struggled to get a hold on the problem.

Efforts by the EPA to address pollution from mountaintop coal mines have been vacated by a federal court. That decision is under appeal.

There are no federal limits on the vast majority of chemicals that power plants pipe directly into rivers, streams and reservoirs from coal waste sites. The EPA last year proposed setting limits on a few of the compounds, in what would be the first update since 1982.

Also, more than five years after a spill from a coal ash pond in Tennessee covered 300 acres, the EPA has not issued final rules governing the disposal of coal ash.

Before Wednesday's settlement, Alpha already was hurting financially, but the company said the civil penalty would not result in any layoffs. Last year, Alpha lost \$1.1 billion on total revenues of \$4.9 billion.

The company acquired Massey Energy in 2011, and more than half of the violations covered by the new settlement stemmed from that company's operations. Massey was fined \$20 million in 2008 by the federal government for similar violations of water pollution laws.

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<u>Alpha Natural Agrees to \$27.5 Million Fine for Tainted Water (2)</u> (Bloomberg News)

This story was reposted by Business Week

Alpha Natural Resources Inc. (<u>ANR:US</u>), the second-largest U.S. coal producer, agreed to pay a \$27.5 million fine and spend about \$200 million to implement wastewater treatment systems under a proposed settlement with the U.S. government over toxic discharges (<u>ANR:US</u>) from its mines in five states.

Alpha and 66 subsidiaries will install and operate treatment systems and implement systemwide upgrades to reduce discharges of pollution from coal mines in Kentucky, Pennsylvania, Tennessee, Virginia and West Virginia, under the accord filed today in federal court in Charleston, West Virginia.

"The unprecedented size of the civil penalty in this settlement sends a strong deterrent message to others in this industry that such egregious violations of the nation's Clean Water Act will not be tolerated," Robert G. Dreher, acting assistant attorney general for the U.S. Justice Department's Environment and Natural Resources Division, said in an e-mailed statement.

The fines follow water-contaminating spills in the U.S. southeast including a Jan. 9 chemical leak from a Freedom Industries Inc.-owned storage tank outside of Charleston, West Virginia that polluted drinking water for about 300,000 residents.

On Feb. 2, an estimated 82,000 tons of coal ash spilled into the Dan River from a shuttered Duke Energy Corp. coal-burning power plant in Eden, North Carolina, and on Feb. 12, 108,000 gallons of coal slurry waste leaked from a failed seal at Patriot Coal Corp.'s Kanawha Eagle Prep Plant near Winifrede, West Virginia.

Water Quality

The Alpha settlement covers about 79 active mines and 25 processing plants in the five states, the U.S. Environmental Protection Agency said.

Gene Kitts, Bristol, Virginia-based Alpha's senior vice president of environmental affairs, said the company had a combined total water quality compliance rate of 99.8 percent last year.

"This settlement will provide a consistent structure to our efforts to become even better in preventing incidents and in responding quickly to situations where permit limits are exceeded," he said.

Pollution Violations

From 2006 to 2013, the agency documented at least 6,289 Alpha violations of permit limits for pollutants including iron, aluminum, selenium and manganese, according to court papers.

Most violations stemmed from the company's failure to operate existing treatment systems properly, install adequate ones and implement appropriate water handling and management plans, prosecutors said.

Alpha fell 1.3 percent to \$5.24 at the close in New York. The shares (<u>ANR:US</u>) have fallen 27 percent this year.

The case is U.S. v. Alpha Natural Resources Inc., 14-cv-11609, U.S. District Court, Southern District of West Virginia (Charleston).

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Miner Alpha settles with U.S. over coal pollution violations (Reuters)

(Reuters) - <u>Alpha Natural Resources Inc.</u>, one of the largest U.S. <u>coal</u> producers, has reached a consent decree to settle a complaint about pollution discharged by coal mines into Appalachian rivers and streams, federal authorities said on Wednesday.

The U.S. Department of Justice and Environmental Protection Agency said Alpha will spend about \$200 million to install and operate wastewater treatment systems and to implement comprehensive <u>upgrades</u> to reduce the level of pollution from mines in Kentucky, Pennsylvania, Tennessee, Virginia and West Virginia.

Overall, the settlement covers about 79 active mines and 25 processing plants in the five states, operated by Alpha, Alpha Appalachian Holdings (formerly Massey Energy) and 66 subsidiaries.

The companies also will pay a civil penalty of \$27.5 million for thousands of permit violations - the largest ever under Section 402 of the Clean Water Act - to be divided among the federal government and state agencies.

"The unprecedented size of the civil penalty in this settlement sends a strong deterrent message to others in this industry," said Robert Dreher of the Justice Department's Environment and Natural Resources Division.

The government had alleged that between 2006 and 2013, Alpha and its subsidiaries routinely violated limits in 336 of its state-issued Clean Water Act permits.

That resulted in the discharge of excess amounts of pollutants into hundreds of rivers and streams across five states.

Communities across Appalachia "have too often been vulnerable to polluters who disregard the law," Dreher said. "It holds Alpha accountable and will bring increased compliance and transparency among Alpha and its many subsidiaries."

The EPA said the <u>upgrades</u> will reduce the discharge of total dissolved solids by more than 36million pounds per year and cut <u>metals</u> and other pollutants by approximately 9 million pounds per year.

In a release, Bristol, Virginia, based Alpha said its compliance with water quality statutes was 99.8 percent in 2013.

"That's a strong record of compliance, particularly considering it's based on more than 665,000 chances to

miss a daily or monthly average limit. But our goal is to do even better," Gene Kitts, Alpha's senior vice president of environmental affairs, said in a statement.

As part of the settlement, the companies must also maintain a database to track violations and compliance efforts, and improve the timeliness of responding to violations.

In recent weeks two high-profile cases have focused attention on the issue of drinking water safety.

Thousands of tons of <u>coal</u> ash from a <u>Duke Energy Corp</u> plant fouled the Dan River in Eden, North Carolina, last month. In January, a chemical spill from a coal plant near Charleston, West Virginia, contaminated the drinking water of about 300,000 residents.

The EPA's complaint did not allege that Alpha's violations posed a risk to human health.

"The public expects that regulators ensure that water quality is protected and that companies comply with their permits," Kitts said. "That's the way it should be."

Alpha Natural Resources closed at \$5.24 per share, down 1.3 percent, on the New York Stock Exchange.

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Coal Firm to Pay Record Penalty and Spend Millions on Water Cleanup in 5 States (NY Times)

One of the nation's biggest coal companies will pay a record civil penalty and will spend tens of millions of dollars to clean up water flowing from mines in five states, the <u>Environmental Protection Agency</u> and the Justice Department announced on Wednesday.

The company, Alpha Natural Resources, and 66 of its subsidiaries including the former Massey Energy, will spend \$200 million under a consent decree to reduce pollution from coal mines in Kentucky, Pennsylvania, Tennessee, Virginia and West Virginia. The company will also pay \$27.5 million, the largest civil penalty ever for permit violations under the Clean Water Act, in connection with more than 6,000 such violations from 2006 to 2013.

Under the agreement, which involved both state and federal agencies, Alpha's new equipment should prevent the discharge of about 36 million pounds of dissolved solids each year, including about nine million pounds of metals and other pollutants.

The agreement is the fifth in recent years between the agencies and coal companies, following deals with Massey in 2008, Patriot Coal in 2009, and Arch Coal and Consol Energy in 2011.

Because of such agreements, "we have a very significant share of the coal mining companies in Appalachia under consent decrees to clean up their discharges," said Robert G. Dreher, the acting assistant attorney general for the Environment and Natural Resources Division of the Justice Department.

In a statement, Alpha noted that water safety in industrial operations had been at the forefront of public attention in recent months with a chemical spill in West Virginia and a coal ash spill in North Carolina.

"The public expects that regulators ensure that water quality is protected and that companies comply with their permits," said Gene Kitts, Alpha's senior vice president for environmental affairs. "That's the way it should be. We respect and support that, and understand the concerns that these events have raised, yet there are distinct differences between those events and what we're talking about here."

The company's rate of compliance with water quality permits in 2013 was 99.8 percent, Mr. Kitts said, "but our goal is to do even better."

Joe Lovett, the executive director of Appalachian Mountain Advocates in West Virginia, expressed little enthusiasm for the agreement, saying such deals do not get to the fundamental problem of heavy pollution from mining techniques like mountaintop removal. "What E.P.A. should do is stop issuing permits that it knows coal companies can't comply with," he said.

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Alpha Natural Agrees to Pay Record Clean Water Act Fine (Wall Street Journal)

WASHINGTON— Alpha Natural Resources Inc., ANR +4.58% one of the nation's largest coal producers, agreed Wednesday to pay a \$27.5 million fine for violations of the Clean Water Act, and will spend about \$200 million to reduce toxic discharges into waterways in five Appalachian states, the company said and federal documents showed.

The settlement, reached among the Justice Department, the Environmental Protection Agency, three states and the company, based in Bristol, Va., covers violations of water-pollution permits involving 79 active coal mines and 25 processing plants between 2006 and 2013.

It is the largest civil settlement in history over water-pollution permits under the Clean Water Act, the EPA said in a news release. The discharges of heavy metals and contaminants, which can harm wildlife and fish, occurred in Kentucky, West Virginia, Tennessee, Virginia and Pennsylvania.

Alpha said in a statement that it had settled a complaint that some of its mining affiliates allegedly "exceeded certain water discharge permit limits." It said the complaint didn't allege that the discharges posed a risk to human health.

"Alpha agreed to implement an integrated environmental management system and an expanded auditing/reporting protocol," as well as wastewater treatment facilities at specific locations, it said. The \$27.5 million fine will be divided among the federal government and state agencies in Kentucky, West Virginia and Pennsylvania.

"This consent decree provides a framework for our efforts to become fully compliant with our environmental permits, specifically under the Clean Water Act," Gene Kitts, Alpha's senior vice president of environmental affairs, said in the statement.

The Clean Water Act regulates, among other things, industrial pollution that goes directly into surface waters. Alpha's discharges were more than 30 times the permitted water-pollution limit in some instances, federal documents showed.

Mr. Kitts said that in 2013, the company had complied 99.8% with the Clean Water Act.

The settlement, filed Wednesday in federal court in Charleston, W.Va., includes a detailed compliance plan for Alpha to reduce the presence of selenium, a mineral byproduct of mountaintop coal mining that in large amounts can poison fish or damage their reproductive systems. Large amounts of selenium can harm humans, and it has been regulated in drinking water for 40 years.

The company didn't return a call requesting further comment.

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Alpha Natural Resources to pay record \$227.5M in water pollution settlement (Pittsburgh Tribune-Review)

Coal producer Alpha Natural Resources Inc. has agreed to \$227.5 million in penalties and other costs to settle federal allegations that it illegally dumped large amounts of toxins into waterways in Pennsylvania and four other states for seven years.

"Today's agreement is good news for communities across Appalachia, who have too often been vulnerable to polluters who disregard the law," said Robert G. Dreher, acting assistant attorney general for the Justice Department's Environment and Natural Resources Division.

The company will pay \$27.5 million in penalties and spend \$200 million upgrading its wastewater treatment systems to reduce illegal discharges under the settlement filed on Wednesday in federal court in West Virginia.

The fine is the largest assessed under federal clean water rules. Four Western Pennsylvania mines were involved in the case. The state Department of Environmental Protection, which was part of the negotiations, said the state will get \$4.125 million from the fines to use in clean water programs.

Alpha's mines dumped illegally high amounts of iron, aluminum, selenium and other pollutants at least 6,289 times, creating a risk to aquatic life, according to the federal Environmental Protection Agency.

"Finally. This was a long haul," said Aimee Erickson, executive director at the Citizens Coal Council in Bridgeville. Her group has filed its own lawsuit against Alpha and told EPA about Alpha's own records showing high pollution levels in 2010. "(Alpha has) been polluting for so long. As long as they got away with it, they kept doing it."

More than a quarter of those violations came from sites in Greene and Westmoreland counties, according to the Justice Department. Bristol, Va.-based Alpha owns the Amfire Mining Co. of Latrobe and Emerald Coal Resources LP, Cumberland Coal Resources LP and Alpha PA Coal Terminal LLC, all based out of Waynesburg, the Justice Department said.

Alpha, which signed a consent decree with the federal government on Feb. 10, agreed to build new treatment plants and expand its audits for complying with environmental permits at 79 active coal mines and 25 coal-processing plants. It began many of its new measures before signing the agreement, the company said in a news release.

"This consent decree provides a framework for our efforts to become fully compliant with our environmental permits, specifically under the Clean Water Act," said Gene Kitts, Alpha's senior vice president of environmental affairs.

Discharges also occurred in West Virginia, Kentucky, Tennessee and Virginia. Alpha and its subsidiaries discharged heavy metals and other contaminants harmful to fish and other wildlife from nearly 800 pipes directly into rivers, streams and tributaries, according to the government.

Monitoring records attached to the complaint show that in some cases, the releases exceeded permit limits by 35 times.

Half of the fine will go to the federal government. West Virginia had the most discharges and received the largest share of the fine among the states, \$8.9 million.

The historic penalty comes during tough times for Alpha and its industry. Alpha, the nation's third largest coal supplier, lost \$1.1 billion last year. Its shares have fallen nearly 70 percent in two years, closing down 7 cents at \$5.24 on Wednesday.

Alpha acquired Massey Energy in 2011 when that company was in the midst of scandal over a deadly explosion at a West Virginia mine. More than half of the violations covered by the new settlement stemmed from Massey's operations, and the EPA said Alpha and Massey had long histories of noncompliance. Massey was fined \$20 million in 2008 by the federal government for similar violations of water pollution laws.

The federal government has been cracking down on air pollution from coal-fired power plants. As cheap natural gas has created a competitive alternative to coal in the past three years, the EPA has accelerated a push to cut carbon, mercury and other toxic air pollutants that come from burning coal.

The action against Alpha could prompt regulators to take a closer look at records companies keep to verify they are in compliance with environmental regulations, said Paul Ziemkiewicz, director of the West Virginia Water Research Institute. He said more cases are likely to follow.

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Alpha Natural Resources fined \$27.5M for water violations (Pittsburgh Business Times)

<u>Alpha Natural Resources</u> will pay a \$27.5 million civil penalty -- the largest in U.S. history -- to state and federal agencies as part of a claim involving the Clean Water Act, the company announced Wednesday.

The company entered into a consent decree with the Department of Justice, the Environmental Protection Agency and state environmental agencies in Pennsylvania, Kentucky and West Virginia, according to a statement from Alpha Natural Resources (NYSE: ANR). The decree also calls for Alpha to spend about \$200 million to upgrade its water treatment systems.

The Environmental Protection Agency filed a complaint against the company, which said Alpha's mining affiliates in five states exceeded acceptable limits for water discharge into streams and rivers in Kentucky, Pennsylvania, Tennessee, Virginia and West Virginia.

"In total, EPA documented at least 6,289 violations of permit limits for pollutants that include iron, pH, total suspended solids, aluminum, manganese, selenium, and salinity. These violations occurred at 794 different discharge points, or outfalls," the EPA said in a prepared statement.

The EPA added: "Monitoring records also showed that multiple pollutants were discharged in amounts of more than twice the permitted limit on many occasions. Most violations stemmed from the company's failure to properly operate existing treatment systems, install adequate treatment systems, and implement appropriate water handling and management plans."

Pennsylvania will get \$4.1 million and West Virginia will get \$8.9 million among the civil penalty, the EPA said.

"This consent decree provides a framework for our efforts to become fully compliant with our environmental permits, specifically under the Clean Water Act," said <u>Gene Kitts</u>, Alpha senior vice president of environmental affairs, in <u>a prepared statement</u>.

The decree covers complaints from 2006 to 2013. It was filed with the U.S. District Court for the Southern District of West Virginia.

A public comment period will take place before the decree goes into effect.

Alpha Natural Resources is based in Bristol, Va., but has operations in a number of states, including Pennsylvania and West Virginia. It owns the Cumberland Mine in Waynesburg, Emerald Coal Resources in Waynesburg and Amfire Mining Co. in Latrobe.

It wasn't clear where the violations occurred but the EPA said the settlement included 79 mines and 25 plants in the five states that include Pennsylvania and West Virginia.

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EPA hits Alpha Natural Resources with \$27.5 million fine (Pittsburgh Post Gazette)

Alpha Natural Resources was fined \$27.5 million and agreed to spend \$200 million more to reduce discharges of polluted water from its coal operations into waterways across five Appalachian states.

It's the largest fine for such violations in the history of the federal Environmental Protection Agency, which proposed the settlement Wednesday.

Virginia-based Alpha was cited for violating water pollution permits more than 6,000 times between 2006 and 2013. Some of the discharges continue to this day across Pennsylvania, Kentucky, Tennessee, Virginia and West Virginia, according to officials. Many of the violations stemmed from Alpha's two longwall mine complexes in Greene County: Emerald Coal and Cumberland Coal Resources.

The government says Alpha and its 62 subsidiaries discharged heavy metals and other contaminants harmful to fish and other wildlife from nearly 800 outfall pipes directly into rivers, streams and tributaries, according to the government.

The polluted water is a by-product of washing and treating coal.

"The state agencies should be made responsible for this," said Aimee Erickson, executive director of the Bridgeville-based environmental advocacy group Citizens Coal Council. "If they were doing their job, this should never happen."

Ms. Erickson's group, which is suing Alpha for the same violations, discovered the company was exceeding its permit limits by reviewing quarterly monitoring reports that Alpha had to file with the Pennsylvania Department of Environmental Protection.

In 2010, Citizens Coal Council took the information to federal regulators and handed over 72,000 pages of documents showing the company regularly discharged more than it was allowed, according to its own measurements.

According to EPA records, processed water from Alpha's Emerald coal mine in Greene County was discharged into creeks and tributaries to the Monongahela River. Some of these are impaired waters, others warm water fisheries.

At Cumberland, discharges of manganese, total suspended solids and iron into Whitely Creek were consistently above what was allowed, sometimes 10 times more.

Gene Kitts, senior vice president of environmental affairs at Alpha, said the company has been improving its track record. In 2012, it exceeded its Pennsylvania permit levels 726 times between Cumberland, Emerald, and Amfire Mining Co., an Alpha subsidiary that operates underground and surface mines in the state. In 2013, the number dropped to

"I'm not saying 294 is good," Mr. Kitts said. "We're not satisfied with 294 by any means. But overall in Pennsylvania, that 59.5 percent improvement was a good start towards cutting it down to something that is much more acceptable, much more manageable."

For certain pollutants, Mr. Kitts said, the discharge limits are too low and the company plans to work to raise them, as in the case of selenium and aluminum.

At the same time, Alpha will be installing passive treatment systems to minimize its selenium discharges and, by September 2016, the consent decree requires the company to build an advanced nanofiltration plant to treat metals coming from its Emerald and Cumberland complexes.

Mr. Kitts said he did not believe the company caused "significant adverse harm to the streams or to the aquatic life in those streams."

"Most of these were relatively isolated exceedances," he said.

The \$27.5 million fine represents a landmark for the EPA, according to Cynthia Giles, head of the EPA's enforcement office.

"It's the biggest case for permit violations, for numbers of violations and size of the penalty, which reflects the seriousness of violations," she said.

The Pennsylvania DEP will get \$4.125 million of the penalty, which will be deposited into its clean water fund.

The deal has been in the works for years, said Amanda Witman, a spokeswoman for the agency who could not say when the agency discovered the violations or how the company was penalized until now.

"In our experience it is always more beneficial to negotiate these types of things," Ms. Witman said. "Often times, industry is more willing to work with us and more willing to comply with regulations when they don't see us as the hammer that's going to come down on you."

From 2006 to 2013, the EPA documented at least 6,289 Alpha violations of permit limits for pollutants including iron, aluminum, selenium and manganese, according to court papers.

Most violations stemmed from the company's failure to operate existing treatment

systems properly, install adequate ones and implement appropriate water handling and management plans, prosecutors said.

Under the agreement, the mine operators will install wastewater treatment systems and take other measures aimed at reducing discharges from 79 active coal mines and 25 coal-processing plants in those five states.

According to the company's annual filing with the Securities and Exchange Commission, Alpha is involved in at least a dozen lawsuits over its water discharges.

The company acquired Massey Energy in 2011, and more than half of the violations covered by the new settlement stemmed from that company's operations. Massey was fined \$20 million in 2008 by the federal government for similar violations of water pollution laws.

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Alpha to pay \$27.5 million in water pollution settlement (Charleston Gazette, WV)

CHARLESTON, W.Va. -- Alpha Natural Resources will pay \$27.5 million in fines as part of a deal that also requires the company to improve its water treatment practices to resolve what federal regulators say is "a long history of noncompliance with the Clean Water Act"

Bristol, Va.-based Alpha reached the proposed settlement with the U.S. Environmental Protection Agency, which in court records outlined nearly 6,300 violations of pollution limits at the company's operations across the Appalachian coalfields.

The EPA touted the deal as containing the "largest penalty in history" under the water-pollution permit section of the federal water-pollution law. It covers 79 active mines and 25 coal processing plants in West Virginia, Kentucky, Pennsylvania, Tennessee and Virginia.

"The unprecedented size of the civil penalty in this settlement sends a strong message to others in this industry that such egregious violations of the nation's Clean Water Act will not be tolerated," said Robert G. Dreher, acting assistant attorney general for the Justice Department's Environment and Natural Resources Division.

In a prepared statement, the EPA said the deal requires Alpha to spend \$200 million "to install and operate wastewater treatment systems and to implement comprehensive, system-wide upgrades to reduce discharges of pollution from coal mines."

Neither the EPA's prepared statement nor court records in the matter provided a complete breakdown of those expenditures.

The 117-page agreement outlines steps that Alpha has agreed to take to better handle discharges of toxic selenium runoff from about a dozen mining operations across Southern West Virginia. Some of those actions include building new treatment facilities, but others would piggyback on treatment operations already underway as a result of previous court settlements with citizen groups. The deal also involves some locations where Alpha will deal with selenium by pumping contaminated water into old underground mines.

"This consent decree provides a framework for our efforts to become fully compliant with our environmental permits, specifically under the Clean Water Act," said Gene Kitts, Alpha's senior vice president of environmental affairs.

Kitts downplayed the extent of Alpha's violations, saying the company's "total water-quality compliance rate" -- considering multiple monitored pollutants at multiple outlets at all of its operations -- for 2013 was actually 99.8 percent.

"That's a strong record of compliance, particularly considering it's based on more than 665,000 chances to miss a daily or monthly average limit," Kitts said in a prepared statement. "But our goal is to do even better, and the consent decree provides an opportunity to proactively focus on improving on the less than 1 percent of the time that permit limits were exceeded."

Alpha's deal with the EPA comes a little more than two years after the company agreed to a \$200 million settlement with U.S. Attorney Booth Goodwin over any potential Upper Big Branch Mine disaster criminal liabilities inherited by Alpha when it purchased Massey Energy Co. in June 2011.

The EPA settlement also comes in the wake of a \$265 million settlement Alpha reached with shareholders who sued over the company's safety practices after the deaths of 29 miners at Upper Big Branch in April 2010.

The new EPA deal also comes six years after federal officials reached a similar, \$20 million water pollution settlement with Massey.

That deal, though, did not include specific requirements for new treatment facilities and it covered more traditional pollutants, such as acidity, metals and solids -- not materials such as selenium, which is more controversial and more expensive to treat.

In court records filed as part of the settlement, federal officials make clear -- as environmental groups have argued for several years -- that water pollution violations at Massey didn't end because of the 2008 EPA settlement, and that Alpha had pollution problems at operations other than its "Massey legacy" sites.

The complaint filed by the EPA in U.S. District Court in Charleston notes multiple enforcement actions against Alpha -- and settlements of those actions -- by the West Virginia Department of Environmental Protection between 2008 and 2012.

"Alpha's subsidiaries have continued to discharge pollutants in violation of the conditions and limitations in their [water pollution] permits despite these administrative and judiciary actions," the EPA complaint states.

In its annual report to the U.S. Securities and Exchange Commission, filed last week, Alpha included a long list of pending pollution lawsuits filed against the company by various citizen groups and environmental organizations. In some instances, the DEP has taken action in response to those citizen suits, and the Tomblin administration has pushed legislation that mining companies have tried to use to avoid such citizen lawsuits.

One citizen lawsuit against Alpha that could be affected by the EPA settlement was set for trial next week in Huntington over what the company should have to do to remedy pollution violations at one operation and how much in fines Alpha should have to pay.

Derek Teaney, an Appalachian Mountain Advocates lawyer who has handled many of the cases against Alpha, said EPA settlements like the ones with Massey and Alpha are fine, as far as they go, but that federal officials need to take action that stop companies from getting permits that will cause water pollution problems.

"We've heard this all before," Teaney said.

In their own prepared statement, citizen groups indicated that they were "not impressed" by the new EPA-Alpha settlement.

"While it's important that Alpha pays for its violations, [the] EPA is still failing at its most important job; ensuring pollution like this doesn't happen in the first place," said Mary Anne Hitt, director of the Sierra Club's Beyond Coal Campaign. "If we've learned anything from the coal chemical spill in West Virginia and the coal ash spill in North Carolina it's that strong and proactive up front enforcement of our clean water protections is paramount. Levying fines after the fact does nothing for the communities and waterways already harmed."

The Alpha settlement is subject to a 30-day public-comment period and approval by the federal court.

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